SENATE BILL NO. 280–SENATOR HAMMOND

MARCH 13, 2015

Referred to Committee on Transportation

SUMMARY—Enacts provisions governing the seizure and storage of unmanned aerial vehicles. (BDR 44-187)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility. Effect on the State: Yes.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to unmanned aerial vehicles; authorizing the seizure and storage of certain unmanned aerial vehicles; providing for the licensing and regulation of unmanned aerial vehicle storage facilities; providing for the retrieval of evidence from unmanned aerial vehicles that have been used in criminal activities; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the authority of police officers to seize and impound certain vehicles without a warrant in certain circumstances. (NRS 482.540, 484B.320, 484E.060) Existing law also provides for the licensing and regulation of certain businesses which receive such vehicles. (Chapter 487 of NRS) Section 7 of this bill provides that a peace officer may seize an unmanned aerial vehicle which is found unattended or crashed or which has been used in a crime. Section 7 also provides that a peace officer may impound such an unmanned aerial vehicle in a licensed storage facility. Finally, section 7 requires a peace officer to obtain a warrant before examining any recordings or other data stored on an unmanned aerial vehicle.

Section 8 of this bill provides that an unmanned aerial vehicle storage facility which is licensed may release a stored unmanned aerial vehicle to its owner under certain circumstances. Section 8 also provides that an unmanned aerial vehicle storage facility may charge a storage fee and may sell unclaimed unmanned aerial vehicles under certain circumstances.

Section 9 of this bill requires that an unmanned aerial vehicle storage facility
 be licensed by the Department of Motor Vehicles. Sections 10-15 of this bill
 provide for the licensing of those facilities.





19 Section 16 of this bill requires unmanned aerial vehicle storage facilities to 20 keep certain records. Section 17 of this bill authorizes the Department of Motor 21 Vehicles to adopt regulations governing those facilities.

> THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Title 44 of NRS is hereby amended by adding 1 thereto a new chapter to consist of the provisions set forth as 2 3 sections 2 to 17, inclusive, of this act.

Sec. 2. As used in this chapter, unless the context otherwise 4 requires, the words and terms defined in sections 3, 4 and 5 of this 5 act have the meanings ascribed to them in those sections. 6

"Department" means the Department of Motor Sec. 3. 7 8 Vehicles.

"Unmanned aerial vehicle" means a powered 9 Sec. 4. aircraft, including, without limitation, a fixed-wing or rotary-wing 10 aircraft of any size, without a human operator aboard and which 11 12 is controlled remotely or autonomously.

13 Sec. 5. "Unmanned aerial vehicle storage facility" means an indoor storage facility licensed under this chapter for the 14 impoundment and storage of unmanned aerial vehicles seized by a 15 16 law enforcement agency.

Sec. 6. The provisions of this chapter do not apply to any 17 unmanned aerial vehicle owned or operated by: 18

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1. Any state or local governmental agency; or The Armed Forces of the United States or a reserve 20 2. component thereof, the National Guard or a department or agency 21

22 of the Federal Government.

Sec. 7. 1. Any peace officer may, without a warrant, seize 23 and take possession of an unmanned aerial vehicle which: 24

(a) Is found crashed, grounded, disabled or abandoned and for 25 which the owner is not readily identifiable; or 26

27 (b) The officer has probable cause to believe has been used in a criminal offense and which the officer reasonably believes is, or 28 29 contains, evidence thereof.

2. An unmanned aerial vehicle seized pursuant to subsection 30 31 1 may be taken for storage to:

(a) An unmanned aerial vehicle storage facility; or

(b) Any evidence or property area of a law enforcement 33 agency, as authorized, if safe and practicable to do so. 34

3. Except as otherwise provided in subsection 2, any 35 unmanned aerial vehicle seized pursuant to paragraph (a) of 36 subsection 1 must be treated as lost property pursuant to the 37





1 policies of the receiving law enforcement agency and in 2 accordance with the provisions of NRS 600.100.

3 4. A peace officer may remove any contraband or other 4 payload onboard an unmanned aerial vehicle before storing the 5 unmanned aerial vehicle as provided in subsection 2.

6 5. A peace officer shall obtain a warrant before examining 7 any recordings or other data stored on an unmanned aerial 8 vehicle seized pursuant to paragraph (b) of subsection 1.

9 6. A peace officer may, without a warrant, examine any 10 recordings or other data stored on an unmanned aerial vehicle 11 seized pursuant to paragraph (a) of subsection 1 as may be 12 reasonable to ascertain the ownership of the unmanned aerial 13 vehicle.

14 Sec. 8. 1. An unmanned aerial vehicle storage facility may 15 release an unmanned aerial vehicle seized pursuant to paragraph 16 (a) of subsection 1 of section 7 of this act to the owner of the 17 vehicle if the owner:

18 (a) Submits to the law enforcement agency that seized the 19 unmanned aerial vehicle written authorization to release the 20 unmanned aerial vehicle;

(b) Presents adequate proof of ownership or is otherwise able
to provide information or other evidence satisfactory to the law
enforcement agency that he or she is the rightful owner of the
unmanned aerial vehicle; and

(c) Pays the storage fee adopted by the Department pursuant to
 section 17 of this act.

27 2. An unmanned aerial vehicle storage facility may release an 28 unmanned aerial vehicle seized pursuant to paragraph (b) of 29 subsection 1 of section 7 of this act to the owner of the vehicle, if 30 the owner:

31 (a) Submits to the law enforcement agency that seized the 32 unmanned aerial vehicle written authorization to release the 33 unmanned aerial vehicle;

(b) Submits adequate proof of ownership or is otherwise able
to provide information or other evidence satisfactory to the law
enforcement agency that he or she is the rightful owner of the
unmanned aerial vehicle; and

(c) If a criminal conviction is obtained resulting from the
 seizure of the unmanned aerial vehicle, pays the storage fee
 adopted by the Department pursuant to section 17 of this act.

41 **3.** If an unmanned aerial vehicle is seized pursuant to 42 paragraph (b) of subsection 1 of section 7 of this act and no 43 criminal conviction is obtained, the law enforcement agency that 44 seized the unmanned aerial vehicle shall pay any fees for the 45 storage of the vehicle.





1 4. If an unmanned aerial vehicle is not claimed and released 2 pursuant to this section, an unmanned aerial vehicle storage 3 facility may sell the unmanned aerial vehicle or disassemble the 4 vehicle and sell its parts upon:

5 (a) Obtaining a release from the law enforcement agency that 6 seized the unmanned aerial vehicle; and

7 (b) The expiration of 180 days after the unmanned aerial 8 vehicle was stored at the facility.

9 5. The proceeds of the sale of any unmanned aerial vehicle 10 pursuant to this section shall be deemed to satisfy any outstanding 11 storage fees for that vehicle. Any amount in excess of the 12 outstanding storage fees, less reasonable fees for the sale of the 13 unmanned aerial vehicle, must be distributed as follows:

(a) If there are any liens against the unmanned aerial vehicle,
 the excess proceeds must be used to pay the liens.

16 (b) If any money remains after the payment of liens, if any, the 17 excess money must be returned to the identified owner of the 18 unmanned aerial vehicle.

19 (c) If there is no identifiable owner of the unmanned aerial 20 vehicle, any excess money may be retained by the unmanned 21 aerial vehicle storage facility.

6. Before selling an unmanned aerial vehicle pursuant to this
section, an unmanned aerial vehicle storage facility shall, to the
extent possible, delete or otherwise remove any recordings or other
data stored on the vehicle.

26 Sec. 9. 1. It is a misdemeanor for any person to operate an 27 unmanned aerial vehicle storage facility without obtaining a 28 license for the unmanned aerial vehicle storage facility from the 29 Department.

2. An application for a license must be made on a form provided by the Department, include the social security number of the applicant and be accompanied by such proof as the Department may require that the applicant owns or leases and will conduct business from a permanent location with at least 5,000 square feet of land which is surrounded by a screened fence that is at least 6 feet high.

37 Sec. 10. 1. An applicant for the issuance or renewal of a 38 license issued pursuant to this chapter shall submit to the 39 Department the statement prescribed by the Division of Welfare 40 and Supportive Services of the Department of Health and Human 41 Services pursuant to NRS 425.520. The statement must be 42 completed and signed by the applicant.

43 2. The Department shall include the statement required 44 pursuant to subsection 1 in:





(a) The application or any other forms that must be submitted 1 2 for the issuance or renewal of the license; or 3

(b) A separate form prescribed by the Department.

3. A license may not be issued or renewed by the Department 4 5 pursuant to this chapter if the applicant:

(a) Fails to submit the statement required pursuant to 6 7 subsection 1: or

(b) Indicates on the statement submitted pursuant to 8 subsection 1 that the applicant is subject to a court order for the 9 support of a child and is not in compliance with the order or a 10 plan approved by the district attorney or other public agency 11 enforcing the order for the repayment of the amount owed 12 13 pursuant to the order.

14 If an applicant indicates on the statement submitted 4. 15 pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the 16 order or a plan approved by the district attorney or other public 17 18 agency enforcing the order for the repayment of the amount owed pursuant to the order, the Department shall advise the applicant to 19 contact the district attorney or other public agency enforcing the 20 order to determine the actions that the applicant may take to 21 22 satisfy the arrearage.

Sec. 11. 1. If the Department receives a copy of a court 23 order issued pursuant to NRS 425.540 that provides for the 24 suspension of all professional, occupational and recreational 25 licenses, certificates and permits issued to a person who is the 26 27 holder of a license issued pursuant to this chapter, the Department shall deem the license issued to that person to be suspended at the 28 29 end of the 30th day after the date on which the court order was issued unless the Department receives a letter issued to the holder 30 31 of the license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has 32 complied with the subpoena or warrant or has satisfied the 33 34 arrearage pursuant to NRS 425.560.

35 2. The Department shall reinstate a license issued pursuant to this chapter that has been suspended by a district court pursuant 36 37 to NRS 425.540 if the Department receives a letter issued by the 38 district attorney or other public agency pursuant to NRS 425.550 39 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or 40 warrant or has satisfied the arrearage pursuant to NRS 425.560. 41

42 Sec. 12. 1. The Department shall not issue a license for an 43 unmanned aerial vehicle storage facility until the applicant has filed with the Department a good and sufficient bond in the 44 45 amount of \$25,000, with a corporate surety thereon licensed to do





business in the State of Nevada, approved as to form by the 1 Attorney General, and conditioned that the applicant conducts 2 business as an unmanned aerial vehicle storage facility without 3 fraud or fraudulent representation, and without violation of the 4 provisions of this chapter. The Department may, by agreement 5 6 with any unmanned aerial vehicle storage facility which has been licensed for 5 years or more by the Department, reduce the 7 amount of the bond, if the business of that facility has been 8 9 conducted satisfactorily for the preceding 5 years, but no bond 10 may be in an amount less than \$5,000.

11 2. The bond may be continuous in form and the total 12 aggregate liability on the bond must be limited to the payment of 13 the total amount of the bond.

14 The bond must provide that any person injured by the 3. 15 action of the unmanned aerial vehicle storage facility in violation 16 of any of the provisions of this chapter may apply to the Director of the Department for compensation from the bond. The Director, 17 for good cause shown and after notice and opportunity for 18 hearing, may determine the amount of compensation and the 19 20 person to whom it is to be paid. The surety shall then make the 21 payment.

4. In lieu of a bond an applicant may deposit with the
Department, under the terms prescribed by the Department:

(a) A like amount of money or bonds of the United States or of
the State of Nevada of an actual market value of not less than the
amount fixed by the Department; or

(b) A savings certificate of a bank, credit union or savings and
loan association situated in Nevada, which must indicate an
account of an amount equal to the amount of the bond which
would otherwise be required by this section and that this amount is
unavailable for withdrawal except upon order of the Department.
Interest earned on the certificate accrues to the account of the

5. A deposit made pursuant to subsection 4 may be disbursed by the Director of the Department, for good cause shown and after notice and opportunity for hearing, in an amount determined by the Director to compensate a person injured by an action of the licensee, or released upon receipt of:

39 (a) A court order requiring the Director to release all or a 40 specified portion of the deposit; or

41 (b) A statement signed by the person in whose name the 42 deposit is made and acknowledged before any person authorized to 43 take acknowledgments in this State, requesting the Director to 44 release the deposit, or a specified portion thereof, and stating the 45 purpose for which the release is requested.





1 6. When a deposit is made pursuant to subsection 4, liability 2 under the deposit is in the amount prescribed by the Department. If the amount of the deposit is reduced or there is an outstanding 3 judgment for which the licensee is liable under the deposit, the 4 license is automatically suspended. The license must be reinstated 5 6 if the licensee:

(a) Files an additional bond pursuant to subsection 1;

8 (b) Restores the deposit with the Department to the original amount required under this section; or 9

10 (c) Satisfies the outstanding judgment for which he or she is 11 liable under the deposit.

> A deposit made pursuant to subsection 4 may be refunded: 7.

13 (a) By order of the Director of the Department, 3 years after the date the licensee ceases to be licensed by the Department, if the 14 Director is satisfied that there are no outstanding claims against 15 16 the deposit; or

(b) By order of court, at any time within 3 years after the date 17 18 the licensee ceases to be licensed by the Department, upon evidence satisfactory to the court that there are no outstanding 19 20 claims against the deposit.

8. Any money received by the Department pursuant to subsection 4 must be deposited with the State Treasurer for credit 21 22 to the Motor Vehicle Fund. 23

Sec. 13. 1. The Department may approve or reject an 24 25 application for a license to operate an unmanned aerial vehicle storage facility. If the Department receives the statement required 26 pursuant to section 10 of this act and approves the application, the 27 Department shall issue to the applicant a license containing the 28 29 applicant's name and address, the name under which the business is to be conducted, the business address and a distinguishing 30 number assigned to the applicant. 31

2. A licensee shall post the license in a conspicuous place 32 33 clearly visible to the general public at the business address set forth on the license. 34 35

3. A license expires on April 30 of each year.

36 A licensee may renew the license by submitting to the 4. 37 **Department:**

(a) A completed application for renewal upon a form supplied 38 39 by the Department;

(b) The statement required pursuant to section 10 of this act; 40 41 and

42 (c) The fee for renewal of a license provided in section 14 of 43 this act.

44 Sec. 14. 1. The fee for the issuance or renewal of a license 45 to operate an unmanned aerial vehicle storage facility is \$100.



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1 2. Fees collected by the Department pursuant to this section 2 must be deposited with the State Treasurer for credit to the Motor 3 Vehicle Fund.

4 Sec. 15. 1. The Department may suspend, revoke or refuse 5 to issue or renew a license for an unmanned aerial vehicle storage 6 facility for any reason determined by the Director of the 7 Department to be in the best interest of the public, including, 8 without limitation, any determination that the licensee or 9 applicant:

10 (a) Is not lawfully entitled to a license;

11 (b) Has made, or knowingly or negligently permitted, any 12 illegal use of an existing license;

13 (c) Has failed to comply with any provision of this chapter or 14 any regulations adopted pursuant thereto;

15 (d) Has made any false or misleading statements in an 16 application or in any records required by this chapter or any 17 regulations adopted pursuant thereto; or

(e) Has been convicted of a felony.

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2. An applicant or licensee may, within 30 days after receipt
of the notice of refusal, suspension or revocation, as applicable,
petition the Department in writing for a hearing.

22 3. Hearings under this section and appeals therefrom must be 23 conducted in the manner prescribed in NRS 482.353 and 482.354.

4. If an application for a license to operate an unmanned aerial vehicle storage facility is denied, the applicant may not submit another application for at least 6 months after the date of the denial.

5. The Department may refuse to review a subsequent
application for a license to operate an unmanned aerial vehicle
storage facility that is submitted by any person who violates any
provision of this chapter.

Sec. 16. *1. Each unmanned aerial vehicle storage facility shall maintain a record of all unmanned aerial vehicles acquired, released, disassembled and sold. The records must be open to inspection during business hours by any peace officer or investigator of the Department.*

2. Records maintained pursuant to subsection 1 must be retained by the licensee for a period of at least 3 years.

Sec. 17. The Department shall adopt regulations governing the operations of unmanned aerial vehicle storage facilities, including, without limitation, the provision of security of those facilities, any storage fees and the handling of lithium-ion batteries and other potentially hazardous materials.





Sec. 18. Section 9 of this act is hereby amended to read as 1 2 follows: 3 Sec. 9. 1. It is a misdemeanor for any person to 4 operate an unmanned aerial vehicle storage facility without 5 obtaining a license for the unmanned aerial vehicle storage 6 facility from the Department. 7 2. An application for a license must be made on a form 8 provided by the Department [, include the social security 9 number of the applicant and be accompanied by such proof 10 as the Department may require that the applicant owns or 11 leases and will conduct business from a permanent location 12 with at least 5,000 square feet of land which is surrounded by 13 a screened fence that is at least 6 feet high. 14 Sec. 19. Section 13 of this act is hereby amended to read as 15 follows: 16 Sec. 13. 1. The Department may approve or reject an 17 application for a license to operate an unmanned aerial 18 vehicle storage facility. If the Department receives the statement required pursuant to section 10 of this act and 19 approves the application, *approved*, the Department shall 20 21 issue to the applicant a license containing the applicant's 22 name and address, the name under which the business is to be 23 conducted, the business address and a distinguishing number 24 assigned to the applicant. 2. A licensee shall post the license in a conspicuous 25 place clearly visible to the general public at the business 26 27 address set forth on the license. A license expires on April 30 of each year. 28 3. 29 A licensee may renew the license by submitting to the 4. 30 Department: 31 (a) A completed application for renewal upon a form 32 supplied by the Department; 33 (b) The statement required pursuant to section 10 of this 34 act: and 35 (c) The fee for renewal of a license provided in section 14 36 of this act. 37 Sec. 20. This section and sections 1 to 17, inclusive, of 1 this act become effective: 38 39 (a) Upon passage and approval for the purpose of adopting 40 regulations and performing any other preparatory administrative 41 tasks that are necessary to carry out the provisions of this act; and (b) On January 1, 2016, for all other purposes. 42 43 Sections 18 and 19 of this act become effective on the date 2. 44 on which the provisions of 42 U.S.C. § 666 requiring each state to 45 establish procedures under which the state has authority to withhold





or suspend, or to restrict the use of professional, occupational andrecreational licenses of persons who:

3 (a) Have failed to comply with a subpoena or warrant relating to 4 a proceeding to determine the paternity of a child or to establish or 5 enforce an obligation for the support of a child; or

6 (b) Are in arrears in the payment for the support of one or more 7 children,

8 \rightarrow are repealed by the Congress of the United States.

9 3. Sections 10 and 11 of this act expire by limitation on the 10 date on which the provisions of 42 U.S.C. § 666 requiring each state 11 to establish procedures under which the state has authority to 12 withhold or suspend, or to restrict the use of professional, 13 occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to
 a proceeding to determine the paternity of a child or to establish or
 enforce an obligation for the support of a child; or

17 (b) Are in arrears in the payment for the support of one or more 18 children,

19 \rightarrow are repealed by the Congress of the United States.

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